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# Notes

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# MODULE: MANDATORY UTILITY STANDARD



## Objective

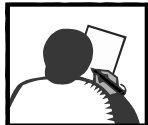
Provide Eligibility Workers with the information necessary to determine the appropriate mandatory utility standard to use when determining household benefits.



APPROXIMATE TIME

## Module Time

.5 Hours



## Notes

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## LESSON: Mandatory Utility Standards



### Purpose

Description of the four mandatory utility standards.



Shelter Costs

### eManual References

430-05-55-40



### Policy

#### Utility Expenses

- Households cannot claim **actual** utility expenses
- Households that are billed on the basis of individual usage or are charged a flat rate for utility costs separately from their rent are entitled to the appropriate standard.  
**If utilities are included in the rent there is NO entitlement to any mandatory utility standard—unless the household is in receipt of a LIHEAP renter/heat paid benefit.**
- Expenses do not have to be in the household's name.
- Expenses do not have to be paid, only incurred.
- If a household receives a HUD or FSA utility subsidy, the actual current utility bills must exceed the utility subsidy before the household is entitled to the appropriate standard.
- If a non-household or ineligible household member **shares** utility costs with eligible household members, the eligible household members are entitled to the appropriate standard.
- If two or more separate households **live together and share** utility costs, each household is entitled to the appropriate standard. Utility standards are **not** prorated.



- A household is **not** entitled to any utility expenses for an unoccupied home.

Standard Utility Allowance (HL SU):

Households responsible for heating/cooling costs or in receipt of LIHEAP are entitled to the full Standard Utility Allowance (HL SU on the EXSA screen) of \$**415.00**, which includes all utility expenses.

This includes households that:

- Are in receipt of tribal LIHEAP
- Are in receipt of a LIHEAP renter/heat paid benefit
- Are planning to apply or have applied for LIHEAP or LIHEAP renter/heat benefits.
- Received LIHEAP in the last heating season and their circumstances have not changed

**If a household moves to a new residence, the worker must reestablish the appropriate mandatory utility allowance.**

- Have central utility meters and are charged only for excess heating or cooling costs
- Are charged only for excess heating or cooling costs

Limited Utility Allowance (LU SA):

Households not entitled to the HL SU that incur at least two of the following utility expenses are entitled to the Limited Utility Allowance (LU SA on the EXSA screen) of \$**167.00**:

- Water
- Sewer
- Garbage

**Water, Sewer, Garbage is currently listed as one item in the manual. This will be broken out in the next manual letter, as these are individual expenses.**



- Electricity
- Telephone

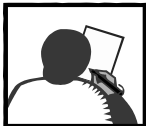
Minimum Utility Standard (MU):

Households not entitled to the HL SU or LU SA that incur one of the following utility expenses are entitled to the Minimum Utility Standard (MU on the EXSA screen) of \$\_**78.00**\_.

- Water
- Sewer
- Garbage
- Electricity

Telephone Standard (TL):

Households not entitled to the HL SU, the LU SA, or MU that incur telephone expenses only are entitled to the Telephone Standard (TL on the EXSA screen) of \$\_**38.00**\_.



# Notes

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## **LESSON: Appropriate Mandatory Utility Standard for Self-Employed Households**



### **Purpose**

**To determine the allowable utility expense for self –employed households.**



**Shelter Costs**

### **eManual References**

**430-05-55-40**



### **Policy**

**Appropriate Mandatory Utility Standard for Self- Employed Households**

If a self-employed household's home is on property connected to property used for self-employment, the worker must determine if the shelter costs and self-employment costs can be separately identified.

- If utilities are measured and billed separately the household is entitled to the appropriate mandatory utility allowance for its residence and to the separately billed self-employment costs as a cost of doing business.
- If utilities are measured and billed on one meter the household is entitled to the appropriate mandatory utility allowance and is not entitled to an exclusion of utilities as a cost of doing business.



## EXERCISE: ONE



In the following examples, what mandatory utility standard is used:

1. Household incurs heating costs **HL SU**
2. Household incurs water costs **MU**
3. Household incurs electricity and telephone costs **LU SA**
4. Household incurs cooling costs **HL SU**
5. Two separate food stamp household shares utility expenses consisting of heat, electricity and telephone **HL SU for each Food Stamp household.**
6. Household incurs water, sewer and garbage costs **LU SA**
7. Household is in receipt of LIHEAP benefits. **HL SU**
8. Household incurs garbage costs **MU**
9. Household pays \$10.00 during the months of June, July and August for air conditioning costs **HL SU**
10. Household receives renter/heat paid benefit from LIHEAP **HL SU**
11. Household incurs telephone costs. **TL**
12. Household contains an ineligible student and shares utility expenses of electricity and telephone **LU SA**
13. Self-employed household with one meter that incurs heat, electricity, water, sewer, garbage and telephone expenses. **HL SU for residence and no utility costs are allowed for self-employment**
14. Household incurs heat, electricity, water, sewer and garbage expenses for an unoccupied home. **No utility costs are allowed for the unoccupied home.**



# MODULE: EXPEDITED PROCESSING



## Objective

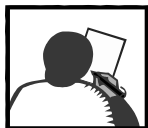
Provide Eligibility Workers with the information necessary to determine eligibility for expedited services within the required processing timeframes.



## Module Time

APPROXIMATE TIME:

1.5 Hours



## Notes

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## LESSON: Expedited Criteria



### Purpose

Explain the criteria used to determine if a household is entitled to expedited service.



### eManual References

Expedited Processing Standards

430-05-20-50-15



### Policy

Households are entitled to expedited service if they meet any of the following:

1. Households with less than \$ **150** in countable gross monthly income when their countable liquid assets do not exceed \$ **100**.
2. Migrant or seasonal workers who are destitute and countable liquid assets do not exceed \$ **100**.
3. Households who have combined **COUNTABLE** gross monthly income and countable liquid assets that are less than the household's monthly rent or mortgage and the appropriate mandatory utility standard.

**Countable income and assets is defined as follows:**

**“Income or assets that are not EXCLUDED”**

**(i.e. WIA earnings would not be countable income in determining expedited services; financial aid deposited into a savings account would not be counted in determining expedited services.)**

**Categorically eligible households automatically pass the asset test. Assets for these households are not “excluded”.**



**Households applying for Food Stamps and TANF must be screened for expedited service. Action on the Food Stamp portion of the application must not be delayed nor the application denied because the TANF determination has not been made. If the TANF application is pending (applicant not yet interviewed or verifications needed for TANF) the TANF grant cannot be anticipated in determining entitlement to expedited service.**



This image shows a template for a note-taking page. It features a white background with rounded corners. At the top left, there is a small square icon containing a silhouette of a person's head and shoulders, holding a pen and writing on a notepad. To the right of this icon, the word "Notes" is printed in a large, bold, black sans-serif font. Below the title, the page is filled with horizontal grey lines, providing space for handwritten notes.



## EXERCISE: ONE



In the following examples is the household entitled to expedited services?

1. A household applies on January 27, 2004 and reports \$152.00 in countable gross earned income and no countable liquid assets. \_\_\_Yes **X** No
2. A household applies on January 27, 2004, states they are a migrant and have countable liquid assets in excess of \$100.00. \_\_\_Yes **X** No
3. A household applies on February 5, 2004, reports \$500.00 in countable gross income, \$200 in countable liquid assets, rent of \$350.00 and they are responsible for heating costs. **X** Yes \_\_\_No
4. A household applies on February 5, 2004, reports \$450.00 in countable gross income, no countable liquid assets, rent of \$300.00, and they are responsible for electricity and telephone costs. **X** Yes \_\_\_No
5. A household applies on January 26, 2004, reports no countable income or countable liquid assets and no shelter costs. **X** Yes \_\_\_No
6. A household applies for food stamps and TANF on February 5, 2004, reports \$200.00 in countable gross income, no countable liquid assets, rent of \$300.00 and they plan to apply for LIHEAP (all utilities are included in the rent). **X** Yes \_\_\_No
7. A household applies for food stamps and TANF on January 29, 2004, reports \$350.00 in countable gross income, no countable liquid assets, rent of \$225.00 and they are responsible for electricity and telephone costs. **X** Yes \_\_\_No



8. A household applies for food stamps and TANF on February 4, 2004 and is interviewed for both programs on February 6, 2004. The household has no countable income or countable liquid assets, they provide necessary verifications for both programs and they are eligible for TANF. Do we anticipate the TANF grant when determining entitlement to expedited service? ☐ Yes ☒ No. **The TANF grant is counted in calculating February 2004 benefits and may change entitlement to expedited service.**
9. A household applies for food stamps and TANF on February 3, 2004, reports no countable gross income, no countable liquid assets, rent of \$105.00 and they are responsible for heat and electricity costs. The household is eligible for a TANF grant of \$400.00. ☒ Yes ☐ No. **HLSU \$415.**



## LESSON: Screening to determine entitlement to expedited service



### Purpose

Explain the screening process for all food stamp applications.



### eManual References

Expedited Processing Standards

430-05-20-50-15



### Policy

- Part 2 of the Application is used to complete the screening.
- All applications must be screened to determine entitlement to expedited service.
- If the household needs assistance in completing the application, the county must provide it.
- The household cannot waive its right to expedited service.
- Verification of identity of the applicant must be obtained.
- An EBT card must be issued if the applicant does not already have one.
- If the household already has an EBT card, the worker must ensure that the EBT account is active.

If the application is mailed in, faxed in or the applicant does not stay for the screening and the county **has** verification of identity:

- The county must attempt to contact the household to complete the screening process and
- Schedule the interview within the expedited time frames by sending F017 – FS Application Recd – Interview Scheduled.



If the application is mailed in, faxed in or the applicant does not stay for the screening, and the county **does not** have verification of identity:

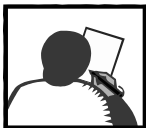
- The county must attempt to contact the household to complete the screening process and
- Schedule the interview as soon as possible by sending F017 – FS Application Rec'd – Interview Scheduled.

If pre-screening identifies a household as not entitled to expedited service and at a later date it is discovered the household is entitled to expedited service, the 7-day time frame starts with the date of discovery.

There is no limit to the number of times a household can be certified under expedited processing.

**Exception:**

**Before a household is entitled to expedited services when verifications were postponed, the household must have completed the verification or have since been certified under 30-day processing standards.**



# Notes

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## LESSON: Postponing Interview/Verifications



### Purpose

**Explain the changes in policy and the new regulatory requirements relating to postponing the interview and verifications.**



### eManual References

**Special Procedures for Expediting Services**

**430-05-20-50-15-05**



### Policy

- Verification of identity cannot be postponed.
- In order to postpone the interview and/or verifications, the county must have verification of identity of the applicant.
- If the county has verification of identity of the applicant, the interview and all other verifications must be postponed in order to meet the expedited time frames.

If the applicant or any household member has a social security number, but the applicant does not have it with them or cannot remember the number, **enter the application date in the SS5 field on SSDO**. This is needed so the individual(s) can be included in the case. Verification of an SSN only can be postponed for one full month.

- **If it is determined at a later date that benefits were incorrectly issued, a claim is not established unless the household failed to report.**

**Exception:**

**A claim must be established for agency errors.**



## EXERCISE: ONE



Is a food stamp claim completed in the initial month in the following situations?

1. Household reported no income and at a later date it is discovered that the household had earned income at the time of application. ☒ Yes ☐ No
2. Household reported earned income, but actual amount could not be verified within the expedited time frames. The best information available from the household and documented in the casefile is used. When verification is received the amount used in determining eligibility is different than the amount verified. ☐ Yes ☒ No
3. Household reported a member was laid-off, but worker was unable to verify the lay-off with the employer within the expedited time frames. When verification is received, it is determined the individual quit a job without good cause and is a mandatory work registrant. ☐ Yes ☒ No
4. Household reported they were a student at an institution of higher education, but did not know how many credit hours they were attending. The worker and client were not able to verify half or full-time status within the expedited time frames. When verification is received, it is determined that the individual is a full-time student and does not meet any of the student eligibility criteria. ☐ Yes ☒ No
5. An individual applies, is an ABAWD, had already received the three non-work months, and reports a job layoff and that the job had involved at least 80 hours a month. The worker and client are not able to verify this employment within the expedited time frames. When verification is received, it shows the individual was only hired to work 40 hours as that was all the work the employer had. ☐ Yes ☒ No  
**Code individual as 'EX' on ABRE. If applying on the first of the month, you may have to change after the fact.**
6. An individual applies, reports a felony drug conviction and provides the court documents. The documents are sent to the State Office for a determination. Because the individual failed to keep the scheduled interview, the case must be processed pending the determination on the felony drug conviction. When the worker receives the determination from the State Office, the individual is disqualified. ☐ Yes ☒ No



## LESSON: Expedited Processing Timeframes



### Purpose

Explain the appropriate processing standards for expedited services.



**Opportunity to Participate  
Application  
Timeframes  
Length of Certification Periods**

### eManual References

**430-05-20-05  
430-05-20-15  
430-05-20-50-10  
430-05-20-50-15-10**



### Policy

- Part 2 of the Application is considered a complete application for expedited service if it contains:
  1. The applicant's name,
  2. Address,
  3. Household composition,
  4. Income,
  5. Assets, and
  6. The signature of the applicant, a responsible household member or the authorized representative.



If the shelter/utility cost questions are not completed, it is still considered a complete application and these expenses are not allowed when determining expedited benefits.

For households entitled to expedited services, benefits must be made available to the household no later than the 7<sup>th</sup> calendar day following the date of application. Day one is the day following the date of application.

If verification of identity of the applicant is not provided at the time of application, benefits must be made available to the household no later than the 6<sup>th</sup> calendar day following receipt of verification of identity. Day one is the date of receipt of identity. **(Because we already have the application.) You do not have an expedited application until you have verification of identity.**

If the screening indicates the applicant is entitled to expedited services, verification of identity of the applicant must be obtained and the applicant must be issued an EBT card if they do not already have one. **If seeing the authorized representative, we must have verification of identity for both the applicant and the authorized representative.**

- Part 2 of the Application must be registered
- F017 – FS Application Received – Interview Scheduled must be sent if the applicant is not interviewed at the time of request.

If the applicant keeps the scheduled interview:

1. The application must be processed postponing verification(s) if necessary and,
2. The notice of eligibility must be sent.

If the applicant does not keep the scheduled interview:

1. The application must be processed postponing the interview and verification(s) if necessary and,
2. The notice of eligibility must be sent.

If the application is mailed in, faxed in or the applicant does not stay for the screening, verification of identity is already on file and the household does not have an EBT card the following must occur:

- Part 2 of the Application must be registered
- F017 – FS Application Received- Interview Scheduled must be sent if the applicant is not interviewed at the time of request.



If the household keeps the scheduled interview the following must occur:

1. The application must be processed postponing verification(s) if necessary, within the 7 day timeframe, and
2. The notice of eligibility must be sent, and
3. Issue an EBT card. **When they come in for interview.**

If the household fails to keep the scheduled interview the following must occur:

1. The application must be processed postponing the interview and verifications within the 7 day timeframe, and
2. The notice of eligibility must be sent, and
3. Send F012 - EBT Client Training and Schedule Notice - allowing two days mailing time and allowing the household at least 24 hours within the 7 day timeframes to obtain an EBT card.

**PLEASE NOTE:** Items 1 through 3 **MUST** all be completed within 7-days after the date of application (taking into account holidays, weekends, and the fact that a notice generated on a Friday is not mailed until the next working day).

If the application is mailed in, faxed in or the applicant does not stay for the screening, verification of identity is already on file and the household has an EBT card, the following must occur:

1. The application must be processed postponing the interview and verification within the 7 day timeframe, and
2. The notice of eligibility must be sent, and
3. The worker must ensure the EBT account is activated.

If verification **other than SSN** was postponed and the household applied on or before the 15<sup>th</sup> of the month, the household must be certified for the month of application only.

When certified only for the month of application, the worker must send notices F101 – Expedited FS Application Waived Interview/Verification, F802 – Food Stamp One-or-Two-Month Certification/Expiration, and provide the household with SFN 407 Recertification for Food Stamps.

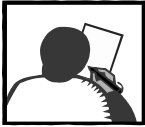
If the interview or verification **other than SSN** was postponed and the household applied on the 16<sup>th</sup> of the month or later, the household must be certified for the month of application and the following month. Benefits for the second month **must not be issued** until the postponed interview and all postponed verifications have been provided.



**Exception:**

**If expenses were postponed and not provided, the second benefit month is issued without allowing unverified expenses.**

When certified for the month of application and the following month, the worker must send notices F101 – Expedited FS Waived Interview/Verification and F802 – Food Stamp One-or-Two-Month Certification/Expiration. If the application is processed after the 25<sup>th</sup> day of the application month, the worker must also provide the household with form SFN 407 – Recertification for Food Stamps.



# Notes

[illegible]



## EXERCISE: ONE



1. If a household is entitled to expedited service, what verification item(s) cannot be postponed? **Identity of applicant.**
2. What verification item(s) can be postponed? **All mandatory verifications including questionable information with the exception of identity.**
3. When does the 7-day count start in the following examples?:
  - The worker has completed application and verification of identity. **The day after the application was received.**
  - The household mails in a completed application and verification of identity is not on file. **The date verification of identity is received.**
  - The household mails in an application, it is unsigned and verification of identity is on file. **We do not have a completed application, as it is unsigned. The first day of the expedited count is the calendar day following receipt of a signed food stamp application.**

**If the application is mailed to the household for signature, the mailing time involved is not counted in the expedited service timeframe. Mailing time includes only the days the application is in the mail to and from the household and the days the application is in the household's hands pending signature and mailing. The first day of the expedited count is the calendar day following receipt of a signed food stamp application.**



## EXERCISE: TWO

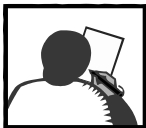


A household applies for food stamps on January 16, 2004 by completing Part 2 of the application, is screened for and entitled to expedited service and is given an EBT card. Notice F017 -FS Application Received – Interview Scheduled is sent advising the household the interview is scheduled for January 20, 2004. The household fails to keep the scheduled interview and Notice F018 FS -Notice of Missed Interview is sent on January 20, 2004 and the worker processes the case postponing the interview and verifications. Notices F101 – Expedited FS Application Waived Interview/Verification and F802 – 1 or 2 Month Certification Expiration are sent on January 21, 2004 and the household is assigned a two-month certification period (January and February 2004).

1. Must the household provide the postponed verification(s), provide the remainder of the application and be interviewed before February 2004 benefits can be issued? ☒ Yes ☐ No
2. If the household fails to provide the postponed verification(s), and complete the interview, are February 2004 benefits issued?  
☐ Yes ☒ No
3. If the household provides the postponed verification(s), the remainder of the application and is interviewed, what notices(s) are sent to the household? **The appropriate change notice for February 2004 benefits. A 10-day advance is not required due to verbiage contained on the F101.**
4. Are you required to provide a Recertification Application to this household? ☐ Yes ☒ No **Processed prior to 25<sup>th</sup> of the month, so system will generate the form.**
5. How many days does the household have to submit the Recertification Application in order for it to be considered timely? **15 days from the mailing date on Notice F802**



6. If the household does not provide the postponed verification(s) and complete the interview process, the case will close the end of January 2004. The household reappplies for food stamps on March 3, 2004. Is the household entitled to expedited service for March 2004? \_\_\_Yes **X** No  
**Case will close on the CAP2 screen on 02-29-04 due to certification period ending, but the system will actually close the case behind the scenes 01-31-04.**  
**No – if did not provide verifications at reapplication.**  
**Yes – if they provide postponed verifications at reapplication.**
7. If the answer to question 6 is “yes”, why? **n/a**
8. If the answer to question 6 is “no”, why not? **Once verifications have been postponed, the household will not again be eligible for expedited service until either the postponed verifications are provided, or the household has since been certified under 30-day processing standards. Postponed verifications are not needed to process under 30-day standards.**
9. If the cases closes the end of January 2004 because the household did not complete the interview or provide postponed verifications and does not reapply until October 2004, is the household entitled to expedited service for October 2004? \_\_\_Yes **X** No
10. If the postponed verification is income from the job that no longer exists, is the household still required to provide verification of the income, prior to being eligible for expedited services again? **X** Yes \_\_\_No



## Notes

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# MODULE: REPORTING REQUIREMENTS



## Objective

Clarify the mandatory reportable changes and reporting requirements.



## Module Time

APPROXIMATE TIME:

.75 Hour



## Notes

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## LESSON: Mandatory Reportable Changes



### Purpose

Review and identify what elements of eligibility are considered a mandatory reportable change.



### eManual References

Reporting and Processing Changes  
Reporting Requirements  
Change Report Form

430-05-65  
430-05-65-05  
430-05-65-10



### Policy

Households are required to report **mandatory changes** within 10 days of the date the change becomes known to the household.

#### Exception:

Households are required to report a new source of income within 10 days of the household receiving their first check. This applies to both earned and unearned.

This policy is new effective with October, 2003 for all applications and recertifications. If the household reports by providing their first paycheck, and the check reflects the hourly rate of pay, pay dates, starting date and hours worked, no additional verification is needed. If a paycheck does **NOT** reflect the **hours for a full pay period**, the worker can use the client's statement, if it is not questionable. If the **paycheck does not contain the required information**, the worker must obtain further information before acting on the change.



The previous policy also pertains. If the client calls or indicates on the monthly change report form that they have a new job or a new source of unearned income, the county **MUST** verify the information before it can be acted upon.

***PLEASE TURN TO EXERCISE ONE***

Certified households are responsible to report the following mandatory reportable changes:

- Source of income
- Amount of gross monthly unearned income exceeding \$50.  
**The amount increased from \$25 to \$50 effective October, 2003 for new applications and recertifications.**

**The exception is the TANF grant. This is considered known information and it is the worker's responsibility to be aware of and act on the TANF grant changes.**

- Amount of gross monthly earned income of more than \$100

***PLEASE TURN TO EXERCISE TWO***

- Household composition

**Household composition includes all changes that affect the household member's participation. (IN, OU, DD, DF, DI, SH)**

**Examples:**

- Change in student status from eligible to ineligible and vice versa

**Such as when the student fails to meet the 20 hours a week work requirement. The participation would change from 'IN' to 'OU'.**

- Convicted of a Drug felony
- Household members moving in or out of the FS household

**We have had several errors where the household reported member entering or leaving, but was not acted upon by the worker.**

- Residence and the resulting change in shelter costs  
**Client has moved to a new location**
- Vehicle ownership
- Countable assets (cash on hand, stocks, bank accounts, etc.) reaching the appropriate asset limit



- Legal obligation to pay child support and the legally obligated amount
- ABAWDS – any change in work hours that bring an individual below 20 hours per week averaged monthly.

***PLEASE TURN TO EXERCISE THREE***

**Change Report Form**

The SFN 378 Change Report Form must be provided to all households. This form is automatically provided to newly certified households and at recertification by the system.

A change report form will automatically be sent each month to food stamp fluctuating income cases, when a 'Y' is placed by the change report form indicator on the CHRS screen.

In combination Vision Medicaid and TECS Food Stamp cases, if the monthly change report indicator is set in Vision, the X442 will not be sent. The automatic mailing of the X442 for fluctuating income cases is linked to the 'Y' on the Change Report Screen (CHRS).

The worker must document and act on all reported changes whether or not it affects the benefits.



# Notes

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## EXERCISE: ONE



FS household consists of Mom, Dad and 2 children ages 5 and 9. They were last recertified in October, 2003 for November, 2003. Dad works for a siding company and is paid bi-weekly. Mom started working for Wal-Mart on December 1, 2003 and is paid bi-weekly. Mom got her first paycheck on Saturday, December 20<sup>th</sup> for pay period Nov. 30 through Dec. 13<sup>th</sup>, 2003. Her hourly wage is \$7.00 and she worked 70 hours. Mom brings her pay stub to the county office on December 29<sup>th</sup>.

1. Did mom meet the reporting requirement for her new job? ☒ Yes ☐ No
2. If mom states she works 35-40 hours a week, is there sufficient information on the pay stub to meet the verification requirement? ☒ Yes ☐ No
3. Is the worker required to act on this information in determining the benefit for the month of January? ☐ Yes ☒ No
4. If the answer to number 3 is NO, why not? **Worker has 10 days to react to information reported and policy requires adequate notice (2 days mailing time) if mom signed the pay stub, if not, a 10-day advance notice is required. The information would be used in determining February benefits.**



## EXERCISE: TWO



Household consists of Mom and Megan, age 4. They were last recertified in October for November, 2003. Mom is not working but receives child support income monthly for Megan. The obligated amount is \$375 each month. In November Mom received a total of \$325 and she reported this on the change report form submitted December 10th. On December 23rd she received one check for \$350. Mom sent a copy of the check to the county office on January 25th. (No signature)

1. Can the worker use the \$350 in determining February benefits?  
\_\_\_ Yes **\_X\_** No
2. Is there a client error claim for the month of February? \_\_\_ Yes **\_X\_** No
3. Did mom fail to report a mandatory reportable change? \_\_\_ Yes **\_X\_** No
4. If the answer to #3 is No, why not? **Less than \$50 change in unearned income.**



### EXERCISE: THREE



1. Joe is a full time student at Bismarck State College and is an open Food Stamp case. He worked at a fast food restaurant 20 – 25 hrs a week. In October his hours were cut and he now works of 20 hrs. a week **averaged monthly**. Is this a mandatory reportable change?   X   Yes \_\_\_ No Does Joe continue to meet the criteria as an eligible student? \_\_\_ Yes   X   No.
2. FS case consists of mom, dad and son, Andrew. On November 27<sup>th</sup> their 20 year old son, John, came home to live. He cooks and eats his meals separate from the family. Is this a mandatory reportable change?   X   Yes \_\_\_ No
3. If the answer to #2 is Yes, why? **The son is under 22 years of age and must be part of the parent's FS case.**
4. On February 10, 2004, John was convicted of a drug related felony. Is this a mandatory reportable change?   X   Yes \_\_\_ No
5. FS case consists of a single person Tim. December 23<sup>rd</sup>, the court revised the court order increasing the obligated amount of child support to be paid by Tim to \$400 effective January 1, 2004. Is Tim required to report this information?   X   Yes \_\_\_ No
6. FS case consists of a single person Martin, who is 21 years old and working at the Cenex station. He has been working 30-35 hours per week. January 1, 2004 the hours for Martin have been cut drastically. Some weeks he works 25 hours and some weeks he works 15 hours or less. His pay check on January 10<sup>th</sup> showed he worked a total of 20 hours and the paycheck on January 24<sup>th</sup> showed he worked a total of 38 hours. He worked a total of 58 hours for January. Is this a mandatory reportable change for Martin?   X   Yes \_\_\_ No
7. If the answer to number 6 is Yes, why? **He is an ABAWD and his total monthly hours no longer average 20 hours per week. He may be ineligible if he has used his 3 NE months already.**





## Notes

[illegible]



## MODULE: CLAIMS



### Objective

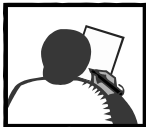
Clarify when it is appropriate to establish a claim and documenting the date and source of discovery of the claim, notification of household and collection of claim amount, and pursuing IPV.



### Module Time

APPROXIMATE TIME:

1.5 Hours



### Notes

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## LESSON: Claim Establishment and Documenting Date and Source of Discovery



### Purpose

Identify the circumstances under which a Food Stamp claim must be established and the correct procedure for creating the claim.



### eManual References

|                                    |              |
|------------------------------------|--------------|
| Claims                             | 430-05-80    |
| Types of Claims                    | 430-05-80-10 |
| Establishing Claims                | 430-05-80-20 |
| Claims that are not Cost Effective | 430-05-80-25 |
| Calculating the Amount of Claims   | 430-05-80-30 |



### Policy

Claims must be established for any household that received more Food Stamp benefits than it was entitled to receive or for benefits that are trafficked. When completing a claim for income that was used incorrectly, not reported or reported incorrectly **actual income must be used.**

**Exception:**

**Claims for errors caused by the client must only be established for mandatory reportable changes.**

A claim is established by calculating and authorizing the overpayment and sending the appropriate notice to the household.



Each adult member in the household at the time the overpayment occurred is responsible for the repayment of the claim.

**This follows the adult members if they move into separate cases.**

Regulations prohibit benefit reduction of an initial benefit, retroactive initial benefit, and current month's supplemental benefits.

**Exception:**

**The system will recoup from an initial benefit where there has not been a break in participation from the previous month.**

Claims are established in one of three categories and coded respectively on OVCA:

- Inadvertent household error (CL)

The worker must establish a claim for any overissuance back to the date the act occurred, not to exceed six years.

**The household unintentionally failed to report or provide information. All errors pending IPV/court order decision must first be established as an inadvertent household error claim until the signed decision or court order is received.**

- Administrative error (AG)

The worker must establish a claim for any overissuance for a maximum of 12 months from the month the worker becomes aware of the overissuance.

**The worker failed to take action on information reported or provided by the household or made a mistake in the calculation of the benefit.**

- IPV (FR)

An administrative disqualification hearing official or a court has determined that an individual committed an IPV or when an individual signs a deferred adjudication disqualification consent agreement. A claim must be handled as an inadvertent household error until a signed decision or court order is received.

**All claims must be established before the last day of the quarter following the quarter in which the overpayment or trafficking incident was discovered.**

For example:

The date of discovery is December 5, 2003, so the claim must be completed by March 31, 2004.



- OVCA Screen modified (Effective Feb 1,2004)

Both Date and Source of discovery must be recorded on the OVCA screen. The Source of Discovery codes have been added to an error edit that will appear on OVCA if the incorrect code is entered. A table containing the codes has been added to the list code table.

- The date of discovery is defined as the date the worker first suspects a household received more benefits than entitled to or may have misused their benefits.

Date is 6 digit numeric (MMDDYY)

**In the case of IEVS, the date of the IEVS alert is the date of discovery.**

- The Source of the discovery must also be identified and documented.

The new source codes are 2 digit alpha characters:

**AG – Agency** – Many times the error is found through in-house casefile reviews or other in-agency reviews.

**IV – IEVS** – IEVS alert indicates unreported income, etc.

**QC – Quality Control** – The claim is the result of a QC finding.

**OS - Other Source** - This could be information found via the newspaper, information reported by someone within the community, etc.

OVCA OVERPAYMENT/CLAIMS AUTHORIZATION 110703 08:47  
CASE:  
CASE NAME:  
PROGRAM TYPE: FS RECOUPMENT NUMBER: 004

|        |                |                              |        |                |                              |
|--------|----------------|------------------------------|--------|----------------|------------------------------|
| ACTION | ERROR<br>MONTH | OVERPAYMENT/<br>CLAIM AMOUNT | ACTION | ERROR<br>MONTH | OVERPAYMENT/<br>CLAIM AMOUNT |
|--------|----------------|------------------------------|--------|----------------|------------------------------|

|                               |                          |
|-------------------------------|--------------------------|
| TOTAL OVERPAYMENT CLAIM:      | TOTAL OUTSTANDING:       |
| ERROR CAUSE:                  | NOTICE DATE:             |
| RECOUPMENT PLAN:              | PERCENT (IF APPLICABLE): |
| <b>DATE ERROR DISCOVERED:</b> | AMOUNT (IF APPLICABLE):  |
| <b>SOURCE OF DISCOVERY:</b>   | CLOSE/SUSPEND DATE:      |
| EFFECTIVE DATE:               | AUTHORIZATION:           |

***PLEASE TURN TO LESSON ONE.***



#### Claims that are Not Cost Effective

- Case is closed at the time claim is created and amount of the claim is less than \$125.
- Worker must calculate and authorize overpayment on OVCA.
- The overissuance notice **must not** be sent to the household, the worker must delete it from NOHS.
- Worker must contact the State FS Office to adjust the claim balance.

#### **Exception:**

**The claim is completed for a case cited and reported as an overissuance by Quality Control regardless of the amount.**

#### **Calculating the Amount of Claims**

In determining the amount of an inadvertent household error claim, the **worker must apply 10-10-10.**

- The household has 10 days to report.
- The worker has 10 days to act.
- 10 days must be allowed for the 10-day advance notice.

#### **Exception:**

**Initial Applications and Recertifications.**

**In reviewing the actual circumstances for the month, it may appear that there is an overissuance for one month but no claim is established due to 10-10-10.**

When completing a claim for income that was used incorrectly, not reported or reported late, **actual income must be used.** If there is more than one source of income, actual income only for the source in error is used. The amounts of the other sources of income remain unchanged.

The Earned Income Penalty Violation Code (PV) is entered on the EAIN screen **for only the earned income not reported or not reported in a timely manner.**

Verifications needed to complete the claim must be obtained using Notice F814 – Required Verification, allowing the household 10 days to provide the information.

#### **Exception:**

**Quarterly wage match through IEVS.**

**If needed verification cannot be obtained from the individual using the appropriate IEVS verification notice, the quarterly wage must be prorated over the quarter and a claim established.**



For an ongoing food stamp case, if the household fails or refuses to respond to the request for verification, the worker must send the F401 and the case will go to close. The worker must document in the casefile that there is an outstanding claim issue.

If the case is closed and the household fails to respond to the request, the worker must document in the casefile that there is an outstanding claim issue.

If the household applies at a later date, they must cooperate by providing the information necessary to calculate the claim. If they continue to fail or refuse to provide the information the application is denied.

***PLEASE TURN TO EXERCISE TWO***

When completing a claim for expenses, only the incorrect expenses are changed. All other expenses remain unchanged.

If an underpayment would result instead of a claim and the household failed to report or report timely, benefits are not restored.

***PLEASE TURN TO EXERCISE THREE***



# Notes

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## EXERCISE: ONE



November 20, 2003 the eligibility supervisor is doing a casefile review of an open Food Stamp case. It is discovered that the worker incorrectly entered the amount of earned income on EAIN in the application month (September 5, 2003). The worker must now correct the case.

1. Does the worker correct the income amount by entering the amount the client had verified and anticipated at the time of the interview (September 5<sup>th</sup>)? \_\_\_ Yes **\_X\_** No
2. If the answer to question 1 is No, what income is entered?  
**Actual income for September.**
3. What is the category or type of claim for this case?  
**Administrative error (AG).**
4. What is the date of discovery for this claim? **November 20, 2003.**
5. What is the source of discovery for this claim? **AG (agency).**
6. By what date must the claim be completed? **March 31, 2004.**



## EXERCISE: TWO



Household consists of Mom, Dad and child. Dad works construction and is paid twice a month (Dec. 1<sup>st</sup> & 15<sup>th</sup>). Mom works full-time at K-Mart and is paid every two weeks on Friday (Dec. 12<sup>th</sup> & 26<sup>th</sup>). January 7, 2004 the household submits the change report form and pay stubs for the month of December 2003. They do not report anticipating any changes for January. February benefits are authorized based on December income. On January 23, 2004 Mom calls the worker and reports she was given a \$1.00 per hour raise on December 29<sup>th</sup>, but forgot to report it on the change report form she sent in January. The worker cannot react to the information for February as a 10-day advance notice is required because the client did not report the information in writing. The worker must now determine if a claim will be required for February.

1. Is the worker required to apply the 10-10-10 rule in determining if a claim is required? ☒ Yes ☐ No
2. If the answer to number 1 is yes, what is day number 1 in determining the 10-10-10? **December 29, 2003.**
3. Based on the information in the scenario, will a claim be required for benefit month of February? ☒ Yes ☐ No
4. The worker will rework the benefit month of February based on:  
\_\_\_\_ Hourly rate of pay X hrs. anticipated for February  
\_\_\_\_ Actual wages received by Mom and Dad in February  
☒ Actual wages received by Mom in February.
5. What earned income code is entered on EAIN for this income?  
\_\_\_\_ RE ☒ PV.
6. What is the claim type for this case? **Inadvertent household error CL**
7. Can the worker rework the benefit month of February on February 1, 2004? ☐ Yes ☒ No.
8. If the answer to number 7 is “No”, when would the worker rework the benefit month of February? **During the month of March with the verified actual income for February.**



### EXERCISE: THREE



Household consists of Mom, Billy age 7, and Sara age 5. Mom works full time and is paid \$900 once a month. Her rent is \$300, and she pays for all her utilities so is entitled to the full SUA. She incurs childcare costs of \$300 per month. During the recertification interview on January 13, 2004 Mom indicates that in November, 2003 her rent decreased to \$150, she is now receiving housing assistance. She also indicates that in September the child care costs decreased to \$200 per month as she changed day care providers. (Last certification period was July 1, 2003 through January 31, 2004).

1. Is a claim required on this case? \_\_\_Yes **X**\_\_\_ No. If “Yes”, for what month(s)? **N/A**
2. If no claim is required, why not? **These are not mandatory reportable changes.**



## **LESSON: Notification of Household and Collection of Claim Amount**



### **Purpose**

Review what required notices are to be mailed to the household to inform them of the claim amount. Identify the procedure for correctly completing the required notices.

Review the various forms of claim repayment available.



### **eManual References**

**Collecting Claims Against Households**  
**Types of Claim Payments**

**430-05-80-35**  
**430-05-80-70**



### **Policy**

#### **Administrative Error Claims**

- Send notice F819 – FS Overissuance Notice (AG error) to the household. Notice X005 – FS Demand for Payment Notice (AG error) automatically follows.
- Worker receives an alert 30 days from notice date as a reminder the demand for payment date is due.
- Set the payment plan of 10% or \$10 (whichever is greater) if the household does not respond to Demand for Payment Notice. Allotment reduction is automatic.



### **Inadvertent Household Error Claims**

- Send notice F816 – Food Stamp Overissuance Notice (CL error) to the household. Notice X007—FS Demand for Payment Notice (CL error) automatically follows.
- Worker receives an alert 20 days from notice date as a reminder the demand for payment date is due.
- Set the payment plan of 10% or \$10 (whichever is greater) if the household does not respond to Demand for Payment Notice. Allotment reduction is automatic.

### **IPV Claims**

**For clients who have intentionally provided false statements regarding their eligibility or continually fail to timely report mandatory reportable changes, the worker must initiate an Intentional Program Violation.**

We are aware of the counties that have not pursued Intentional Program Violation for clients since the Fraud Units were terminated. This is not an option, the policy requires that IPV be pursued if the client is “intentionally” failing to report or are reporting false information.

This is an area that is reviewed each year by FNS during the State Agency Operation Review. If the county selected as part of the review has not pursued an IPV, FNS will require corrective action.

All errors pending IPV/court order decision must first be established as an inadvertent household error claim (CL) until the signed decision or court order is received.

When an individual has been found guilty of IPV, the worker must:

- Send notice F818 – IPV – Food Stamp Overissuance Notice (FR) to the household. This notice is a combination overissuance/demand for payment notice.
- The worker will receive an alert 10 days from the notice date as a reminder the demand for payment date is due.
- Change the error cause from CL to FR and payment plan from 10% to 20% or \$20; whichever is greater, if the household does not respond to the Demand for Payment Notice. Allotment reduction is automatic.

The worker must generate and complete the appropriate Food Stamp Overissuance/Determination notice for each claim. As a result of the regulation change requiring that the household be provided with the original allotment received and the amount of the corrected allotment, the notice is now completed in two parts:

- FS Overissuance Notice
- FS Overissuance Determination



**FS Overissuance Notice:**

The worker completes the information relating to the claim amount, month(s) in error, and the cause for the error.

The remainder of the notice contains information explaining to the client the overissuance determination and demand for payment agreement notices will be mailed separately. The client must sign the agreement to repay the overissued Food Stamps and if they fail to do so the benefit reduction will begin automatically.

**FS Overissuance Determination:**

The worker must enter the benefit month of the claim, the original allotment received, corrected allotment, amount of the overpayment and the total claim amount. There may be more than one month involved in the calculation of the claim.

**The worker must use the space bar on the keyboard when accessing the individual fields on the Overissuance Determination notice.** There are no defined fields on the notice. If the worker uses the mouse and clicks at the beginning of a field, the system will scrunch that information together.



|                                       |          |              |
|---------------------------------------|----------|--------------|
| NOT1                                  | NOTICE   | 111903 14:14 |
| CASE: 00002917                        |          | DARLENE F    |
| CASE NAME: NOTICE, TEST               |          | NOTICE: F829 |
| MAILING : BOX 10                      | BISMARCK | ND 58505-    |
| ADDRESS :                             |          |              |
| TITLE : FS OVERISSUANCE DETERMINATION |          |              |

| BENEFIT<br>MONTH | ALLOTMENT<br>RECEIVED | CORRECTED<br>ALLOTMENT | AMOUNT OF<br>OVERPAYMENT |
|------------------|-----------------------|------------------------|--------------------------|
|------------------|-----------------------|------------------------|--------------------------|

##### TOTAL CLAIM AMOUNT \$200#####

IF YOU HAVE QUESTIONS RELATED TO THE CLAIM, CONTACT YOUR LOCAL COUNTY  
SOCIAL SERVICE OFFICE AT THE ABOVE TELEPHONE NUMBER AND/OR ADDRESS.

ANY PART OF THE OVERISSUANCE CLAIM MAY BE REDUCED IF IT IS DETERMINED BY THE STATE FOOD STAMP OFFICE THAT YOUR HOUSEHOLD IS NOT ABLE TO REPAY THE CLAIM AFTER ALL COLLECTION METHODS HAVE BEEN ATTEMPTED. YOUR RIGHTS AND REPORTING RESPONSIBILITIES ARE LISTED ON THE BACK OF THIS NOTICE. A LIST OF LEGAL SERVICE ORGANIZATIONS IS AVAILABLE UPON REQUEST.

[illegible]

THE OVERISSUANCE OF FOOD STAMP BENEFITS RECEIVED BY YOU OR YOUR  
HOUSEHOLD WAS DETERMINED AS FOLLOWS:

| BENEFIT<br>MONTH | ALLOTMENT<br>RECEIVED | CORRECTED<br>ALLOTMENT | AMOUNT OF<br>OVERPAYMENT |
|------------------|-----------------------|------------------------|--------------------------|
|------------------|-----------------------|------------------------|--------------------------|

|       |       |       |       |                          |
|-------|-------|-------|-------|--------------------------|
| 11/03 | \$300 | \$100 | \$200 |                          |
|       |       |       |       | TOTAL CLAIM AMOUNT \$200 |

IF YOU HAVE QUESTIONS RELATED TO THE CLAIM, CONTACT YOUR LOCAL COUNTY  
SOCIAL SERVICE OFFICE AT THE ABOVE TELEPHONE NUMBER AND/OR ADDRESS.

ANY PART OF THE OVERISSUANCE CLAIM MAY BE REDUCED IF IT IS DETERMINED BY THE STATE FOOD STAMP OFFICE THAT YOUR HOUSEHOLD IS NOT ABLE TO REPAY THE CLAIM AFTER ALL COLLECTION METHODS HAVE BEEN ATTEMPTED. YOUR RIGHTS AND REPORTING RESPONSIBILITIES ARE LISTED ON THE BACK OF THIS NOTICE. A LIST OF LEGAL SERVICE ORGANIZATIONS IS AVAILABLE UPON REQUEST

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## **Types of Claim Payments**

Claims can be paid using any of the following types of payments or combination of them:

### **Allotment Reduction**

Allotment reduction is automatic for participating households and begins with the first allotment issued after the appropriate notification, if the household did not respond to the Demand for Payment agreement. For AG and CL claims, it is 10% or \$10, whichever is greater and 20% or \$20, whichever is greater, for IPV.

The household can request a benefit reduction at a higher rate than listed above, but the casefile must contain supporting documentation of this request.

### **Offsetting Underpayments**

When a household has an outstanding balance on a claim and is entitled to an underpayment, the system will automatically apply the underpayment to the overpayment. The overpayment must be authorized first.

### **Lump Sum or Installment Payments**

Acceptable forms of lump sum or installment payments include check, cash, money order, or EBT benefits.

### **Treasury Offset Program (TOP)**

This is a State Office procedure. All 3 types of claims can be submitted if they meet the requirements. Case is closed. Claim is more than \$25 (individually or collectively). Claim is at least 3 months delinquent but no more than nine years and 11 months old and the household received a 60-day notice informing them that the claim is delinquent and will be offset against a tax refund.

### **Client authorized EBT Benefits**

The household may pay a claim using benefits from its EBT account. Written authorization must be obtained from the client, which specifies the amount. This information must be submitted to the State FS Office.

### **Stale EBT Account Debits**

An automatic notice is sent to the household allowing them 10 days to advise either their worker or the State Office they DO NOT want their benefits used to pay the claim.



### Expunged EBT Benefits

Any benefits in an EBT account that has not been used in 365 days are expunged and no longer available to the household. Expunged benefits are applied to the outstanding claim using the EX code on DIRE.

### Other Collection Actions

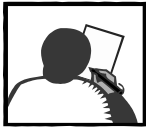
Other collection actions may be used to collect claims such as collection agencies.

### Unspecified Joint Collections

An unspecified payment is received for a combined case, each program receives a prorata share of the amount collected.

### Public Service

If authorized by a court, performing public service may pay the value of a claim.



## Notes

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## Troubleshooting Tips

### Removing of Close/Suspend Date on Claims

The system will automatically enter a suspend date on a claim if there have been no recoupments posted to that claim for one year. This close date must be removed before recoupment can begin again.

Included on the list of 'Things to do Before the Interview' for applications and recertifications the worker is instructed to check the DIRE screen to see if there are any claims with outstanding balances. The worker must contact the State Food Stamp Office to have the close/suspend date removed. Before you contact the State Office review the DIRE (Direct Recoupment) screen to **ensure that a balance is remaining on the claim.**

The worker may also check the Recoupment History screen (REHI) to determine if there is a claim with close/suspend date and an outstanding balance remaining. Both DIRE and REHI contain this information.

DIRE  
CASE: 00002917  
CASE NAME: NOTICE , TEST  
PROGRAM TYPE: FS

#### DIRECT RECOUPMENT

| REF # | ORIGINAL AMOUNT | O/S AMOUNT | CAUSE | NOTICE DATE | PAY PLAN | RE-START DATE | CLOSE SUSP. DATE | AMOUNT RECEIVED | RECOUP METHOD | TOP IND |
|-------|-----------------|------------|-------|-------------|----------|---------------|------------------|-----------------|---------------|---------|
| 001   | 200.00          | 200.00     | AG    |             |          | 111903        | 112004           |                 |               |         |

DIRE  
CASE: 00002917  
CASE NAME: NOTICE , TEST  
PROGRAM TYPE: FS

#### DIRECT RECOUPMENT

| REF # | ORIGINAL AMOUNT | O/S AMOUNT | CAUSE | NOTICE DATE | PAY PLAN | RE-START DATE | CLOSE SUSP. DATE | AMOUNT RECEIVED | RECOUP METHOD | TOP IND |
|-------|-----------------|------------|-------|-------------|----------|---------------|------------------|-----------------|---------------|---------|
| 001   | 200.00          | 0.00       | AG    |             |          | 111903        | 032004           |                 |               |         |

REHI  
CASE: 00002917  
CASE NAME: NOTICE , TEST  
PROGRAM TYPE: FS

#### RECOUPMENT HISTORY

| RECOUP NUMBER | SETUP DATE | CLOSE DATE | ERROR CAUSE | PLAN | REC METH | AMOUNT REMAINING | AMOUNT RECOUPED | RECOUPED DATE | DOCUMENT ID |
|---------------|------------|------------|-------------|------|----------|------------------|-----------------|---------------|-------------|
| 001           | 111903     | 032004     | AG          |      | CA       | 200.00<br>0.00   | 200.00          | 032004        |             |



## EXERCISE: ONE



November 20, 2003, the eligibility supervisor is doing a casefile review of an open Food Stamp case. It is discovered that the worker incorrectly entered the amount of earned income on EAIN in the application month (September 5, 2003).

December 1, 2003, the worker reworked the benefit month of September with actual income and created an Administrative Error Claim. Original September benefit was \$150, the corrected benefit is \$100, and the claim is \$50.00

1. What is the appropriate overissuance notice to send for this case?  
\_\_ **F819 FS Overissuance notice (AG error)** \_\_.
2. Is the overissuance notice a two-part notice? ☒ Yes \_\_\_ No
3. Should the worker use the “mouse” to access the required fields on the overissuance determination notice? \_\_\_ Yes ☒ No
4. The worker must also send the X005 FS Demand for Payment Notice (AG error)? \_\_\_ Yes ☒ No
5. If the answer to number 4 is “No”, why not? **\_The Demand for Payment notices are mailed automatically by the system the day following the overissuance notice.**
6. How many days following the mailing of the notice will the worker receive the alert indicating the demand for payment agreement is due? **\_30 Days\_**.
7. If the client fails to return the Demand for Payment agreement does the worker enter the recoupment plan and amount of 10% or \$10 whichever is greater? ☒ Yes \_\_\_ No





## Notes



# MODULE: INTENTIONAL PROGRAM VIOLATION



## Objective

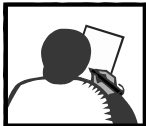
To review the policy and provide eligibility workers with the information necessary to pursue intentional program violations.



## Module Time

APPROXIMATE TIME:

1.5 Hours



## Notes

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## LESSON: Intentional Program Violation



### Purpose

**Explain the criteria used to determine if an individual has committed an intentional program violation.**



### eManual References

**Intentional Program Violation (IPV)**

**430-05-75-05**



### Policy

The individual must have:

1. Made a false or misleading statement, misrepresented, concealed or withheld facts such as failure to report mandatory reportable changes.
  - a. Increase in earned income of \$100.00 or more
  - b. New source of income
  - c. Change in household composition
  - d. Change in residence.
2. Committed any act that constitutes a violation of the Food Stamp Act, Food Stamp Program regulations, or any state statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or trafficking of coupons, authorization cards, or reusable documents used as part of an automated benefit delivery system.

**Examples:**

- a. Purchasing alcohol or tobacco with food stamp benefits
- b. Purchasing food and reselling it for cash
- c. Selling food stamp benefits.



A worker does not have to prove a deliberate intent to defraud. An individual's signature on the application attests to providing full information and to understanding the reporting requirements.

**Example:**

**Intent is satisfied if an individual is aware of the mandatory reporting requirements, but for whatever reason did not report.**

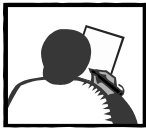
If an individual does not report a **mandatory** change within 10 days, a program violation **may** have occurred.

If a failure to report is discovered by the worker, the worker must **consider** initiating an IPV.

An IPV **may** exist regardless of whether there is a claim.

There is no **requirement** that a claim exist when pursuing IPV.

An individual disqualified from participation in the Food Stamp Program due to an IPV or court conviction of fraud **cannot** participate in the Food Distribution Program until the period of disqualification **expires**.



# Notes

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## EXERCISE: ONE

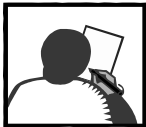


In the following instances should an IPV be pursued?

1. Worker discovers through an IEVS hit that a household failed to report earned income from a new source. The household already has two inadvertent household error claims for failure to report income.  
☒ Yes ☐ No
2. An elderly client reports at recertification interview that she forgot to report that she bought a car, a 1990 Ford six months ago.  
☐ Yes ☒ No
3. Worker receives an anonymous phone call stating that a client is working at Wal-Mart. Worker contacts the client who states that she started working three months ago and didn't feel she had to report this new job.  
☒ Yes ☐ No
4. Worker receives a report that a client's boyfriend has moved into the household and that he is the father of one of the children. Worker contacts the client who states the boyfriend did move in two months ago and he is the father of one of the children. ☒ Yes ☐ No
5. During an interview a developmentally disabled individual reports he started working and earns between \$25.00 and \$50.00 per month. This client has a history of being forgetful and is easily confused and states he thinks he has been working at this job for about six months.  
☐ Yes ☒ No
6. Client reports at the recertification interview that she is now working. She cannot remember when she started and that she did not know she had to report this new job. She has been on the program for three months.  
☒ Yes ☒ No
7. A client with a history of late reporting or only reporting changes that will result in an increase in benefits is discovered working at the local convenience store. Client has been on the program for five years and the reporting requirements have been explained in detail at every recertification interview. ☒ Yes ☐ No



8. A new applicant reports no source of income at the interview and the case is processed as expedited. At recertification it is learned that the applicant has been working for the same employer for the past two years. When questioned, the client states that they knew the income must be reported, but they were way behind on bills, just got out of an abusive relationship and were just trying to get caught up.  X  Yes \_\_\_\_ No



# Notes

[illegible]



## LESSON: County Office Role and Responsibility



### Purpose

**Explain the role and responsibilities of the county for investigating cases of alleged IPV.**



**County Role and Responsibility**

### eManual References

**430-05-75-10-05**



### Policy

The county is responsible for:

- Investigating any case of alleged IPV regardless of current eligibility
- Acting on appropriate cases either through administrative disqualification hearings or referral to a court of appropriate jurisdiction.

Initiating administrative disqualification hearings when:

- The facts of the case do not warrant civil or criminal prosecution.
- A case previously referred for prosecution was declined,
- The county formally withdraws a previously referred case because no action was taken within a reasonable period of time.

The burden of proving an IPV occurred is a county responsibility.

**When there is evidence a violation has been committed, the worker must review the case and all evidence with the supervisor, director, the Regional Representative or a fraud investigator (law enforcement).**



Types of evidence included but are not limited to:

- Application forms
- Change report forms
- Statements made during interviews
- Monthly report forms
- Notices of benefits
- Past IPV for failure to report
- Recertification forms
- Narratives
- Documented phone calls
- IEVS verification

If IPV is pursued, the worker must complete the first portion of SFN – 1940 TANF/Food Stamp Notice of Suspected IPV. In completing the form, list the name of the individual suspected of IPV. In most cases, that will be the individual who has reported the change or completed the application/recertification containing the false information. If the designated head of household is not the individual who provided the false information, do not prepare a SFN 1940 against that individual. If more than one individual gave a false report or if individuals were interviewed together, prepare a **separate** SFN 1940 for each individual.

In completing the “description of evidence” section the worker must:

- Be concise in describing the allegation.
- Address the individual.
- Identify what the individual represented, as well as when and how using complete dates.
- Describe the information received and where that information came from.
- Document how the individual was aware of the reporting requirement.

The worker must attempt to hold a meeting with the individual to discuss the suspected IPV within two weeks of establishing the suspected IPV. If the worker believes the violation did occur and the individual does not have a satisfactory explanation the worker must:

- Provide the individual with a copy of the SFN 1940.
- Provide the individual with a SFN 1087 – Legal Service Organizations.
- Provide an explanation that the individual can sign part A or B of the waiver.
- Provide an explanation of the disqualification penalties.
- Provide an explanation that the worker will request an administrative disqualification hearing (in-person or by phone) unless the individual signs either waiver A or B.



If it is determined that no violation occurred, SFN 1940 must be placed in the file with a notation that it was not forwarded for further action and a summary of the explanation given by the household. Any claim continues to be collected as an inadvertent household error.

An individual has the right to waive an administrative disqualification hearing. The worker must possess sufficient evidence to warrant holding a disqualification hearing before allowing an individual to waive the hearing.

- Waiver A allows an individual to admit to the facts and accept the disqualification period.
- Waiver B allows an individual to accept the disqualification without admitting to the facts.
- A signed waiver is a statement that the household has been informed a disqualification penalty will result.

If part A or B of the waiver is signed:

- Give the individual a copy of the SFN 1940.
- Mail the SFN 1940 detailing the violation to the Appeals Supervisor at the State Office.
- If part B is signed, a cover letter detailing why the individual signed Part B rather than Part A must also be sent to the Appeals Supervisor.

If an individual **chooses not** to sign either Part A or Part B of the waiver **or** the individual fails within two weeks to respond to a request for meeting **or** fails to attend a scheduled meeting without a satisfactory explanation within three days after the scheduled meeting:

- A hearing will be requested (in person or by telephone)
- Mail a copy of the SFN 1940 to the individual
- Mail SFN 1087 – Legal Service Organizations to the individual
- Mail the following to the Appeals Supervisor at the State Office:
  - a. SFN 1940
  - b. A letter detailing the violation
  - c. Copies of relevant parts of the Change Report Form, Application, etc.
  - d. Copies of the evidence obtained
  - e. A request for legal counsel if necessary (**Normally this is done only if the client has obtained legal counsel**).

If the individual fails to appear at the disqualification hearing without good cause, the hearing officer will conduct the hearing and base the decision solely on the information provided by the county at the hearing.



Collection on a claim continues at the rate of 10% or \$10.00 whichever is greater and a pending disqualification hearing does not affect the benefit determination. Full payment of a claim before the disqualification decision is reached does not stop the disqualification process.

[illegible]





**TANF/FOOD STAMP NOTICE OF SUSPECTED  
INTENTIONAL PROGRAM VIOLATION**  
ND DEPARTMENT OF HUMAN SERVICES  
SFN 1940 (Rev. 01-2002)

|             |      |
|-------------|------|
| Case Number | Date |
|-------------|------|

|                      |   |
|----------------------|---|
| TO: Name and Address | FROM: County Social Service Board Office  |
|                      | Telephone Number:<br>If you have any questions regarding this notice, please call the above number. |

We believe you intentionally violated Program rules. This form tells you about disqualification, hearings and how to waive a hearing.

We recently reviewed your ☐ Temporary Assistance for Needy Families (TANF) case.

☐ Food Stamp case.

We believe you did the following:

(Attach pages as needed)





## This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



|             |      |
|-------------|------|
| Case Number | Date |
|-------------|------|

We have the following information to support these charges:

(Attach pages as needed)

You and your authorized representative may see this information at the county social service board office. To arrange a time, call the county social service board office.

Because we think you committed an intentional Program violation, we propose to disqualify you from the:

| Disqualified Number:  | First                             | Second                           | Third                                |
|---|-----------------------------------|----------------------------------|--------------------------------------|
| TANF Program for:   | <input type="checkbox"/> 1 Year   | <input type="checkbox"/> 2 Years | <input type="checkbox"/> Permanently |
| Food Stamp Program for:                                     |                                   |                                  |                                      |
| Suspected violation occurred prior to September 20, 1996    | <input type="checkbox"/> 6 months | <input type="checkbox"/> 1 Year  | <input type="checkbox"/> Permanently |
| Suspected violation occurred on or after September 20, 1996 | <input type="checkbox"/> 1 Year   | <input type="checkbox"/> 2 Years | <input type="checkbox"/> Permanently |

Signed:

Title:

**THE REMAINDER OF THIS FORM CONTAINS IMPORTANT  
INFORMATION ABOUT YOUR RIGHTS.**

**PLEASE READ THIS ENTIRE FORM**



You have the right to remain silent concerning the charge(s). Anything said or signed by you concerning the charge(s) can be used against you in a court of law.

Regardless of whether a hearing is requested or held, the state or federal government may prosecute you for intentional Program violation in a civil or criminal court action and may collect any overpayments or overissuances.

If you agree the information is true or if you accept the disqualification without a hearing, you may sign the "Waiver of Hearing." If you do not sign the Waiver of Hearing form, a hearing will be held.

If you waive a hearing, we will reduce TANF or Food Stamp benefits, or both, for your household. If you do not repay any TANF overpayments or Food Stamp overissuances which may exist, other household members may have to make repayment.

**THE BACK PAGE OF THIS FORM CONTAINS ADDITIONAL  
INFORMATION ABOUT YOUR HEARING RIGHTS AND PROCEDURES**

**WAIVER OF HEARING**

THE WAIVER WILL RESULT IN YOUR DISQUALIFICATION AND A BENEFIT REDUCTION FOR OTHER HOUSEHOLD MEMBERS IN ☐ TANF ☐ FOOD STAMPS FOR THE PERIOD OF DISQUALIFICATION.

If a signed waiver of hearing is received by the Appeals Supervisor, Department of Human Services, State Capitol, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250 before the date of the hearing, no hearing will be held. The waiver must be signed by you and by the caretaker relative or the head of household if you are not the caretaker relative or the head of household.

Sign A or B below if you wish to waive a hearing.

|  |      |   |      |
|--|------|---|------|
| A. I admit to the facts as presented and understand that a disqualification penalty will be imposed if I sign this waiver. |      | B. I do not admit that the facts as presented are correct. However, I have chosen to sign this waiver and I understand that a disqualification penalty will result. |      |
| Your Signature   | Date | Your Signature  | Date |
| Caretaker Relative/Head of Household   |      | Caretaker Relative/Head of Household  |      |
| Signature  | Date | Signature   | Date |



### ABOUT HEARINGS

If you have witnesses who have testimony or evidence in their possession which is necessary to your case, you may, before the hearing, ask the Administrative Law Judge to prepare subpoenas ordering those witnesses to appear at the hearing to testify or to bring the needed evidence. You will have to see that your subpoenas are properly served.

It is important that you or your representative be at the hearing, otherwise a decision will be based solely on information provided by the county social service board office.

If you or your representative do not appear at the hearing and there is a good reason why you or your representative did not attend the hearing, you must contact the Administrative Law Judge within 10 days after the hearing date in order to determine if you are entitled to receive a new hearing date.

YOUR HEARING WILL BE CONDUCTED BY TELEPHONE UNLESS YOU REQUEST THAT THE ADMINISTRATIVE LAW JUDGE BE PRESENT. YOU ARE ENTITLED TO HAVE THE ADMINISTRATIVE LAW JUDGE PRESENT IF YOU WISH. IF YOU REQUEST TO HAVE THE ADMINISTRATIVE LAW JUDGE PRESENT, IT WILL NOT AFFECT THE WAY THE HEARING IS CONDUCTED OR THE DECISION.

I request that an Administrative Law Judge be present at my hearing. (Do not sign if you have waived your hearing. Do not sign if you prefer a telephone hearing.)

| Name | Signature | Date |
|------|-----------|------|
|      |           |      |

### YOUR HEARING RIGHTS AND PROCEDURES

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>1. For telephone hearings, the Administrative Law Judge will place a telephone call to your hearing location. All locations will have a speaker-phone system in which all parties will be able to hear and speak without having to use a telephone receiver.</li> <li>2. The hearing will be conducted in an impartial manner. All testimony will be submitted under oath and tape recorded. You will not be bound by the rules of procedure and evidence used in the courts. Any papers you submit will be sent to the Administrative Law Judge for examination.</li> <li>3. You must appear at the time and place set forth on your notice, along with any witnesses or representatives you choose. The county social service board office representatives and witnesses will also be present. Attendance by other persons must be agreed to by both you and the county. An interpreter shall be provided by the county social service board if the Administrative Law Judge determines this is necessary.</li> </ol> | <ol style="list-style-type: none"> <li>4. You may look at the evidence that will be used at the hearing both before and during the hearing. Call the county social service board office if you wish to look at the evidence before the hearing.</li> <li>5. You may present your own case or have a lawyer, friend, relative, or community worker present your case for you.</li> <li>6. You may ask to delay your hearing for up to 30 days if you need more time to prepare your case provided such request is made to the Administrative Law Judge at least 10 days in advance of the scheduled hearing.</li> <li>7. You may bring your own witnesses.</li> <li>8. You may argue your case freely.</li> <li>9. You may question any statements made against you or any evidence.</li> <li>10. You may bring any evidence you may have that would support your case.</li> <li>11. You may refuse to answer any questions or to make any statements.</li> <li>12. Free legal services may be available to you at an office listed on the attached page.</li> <li>13. A copy of the Administrative Rules on hearing procedures is available, upon request, from the Appeals Supervisor.</li> </ol> |
|--|--|



## LESSON: State Office Role and Responsibility



### Purpose

Explain the role and responsibilities of the State Office in the IPV process.



### eManual References

State Office Role and Responsibility

430-05-75-15-50



### Policy

The State Agency has the responsibility to provide guidance to counties by responding to questions and clarifying policies.

In addition, the Appeals Supervisor has the following responsibilities:

- Review the SFN 1940 and the letter detailing the violation
- If the waiver is not approved, it will be returned to the county with a letter detailing the reason(s) the waiver was not approved.

The county then has the option to:

- a. Provide the Appeals Supervisor with information regarding the missing element(s).
- b. Dismiss the waiver
- c. Refer the case for prosecution.



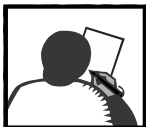
- The waiver will be approved if the county shows that a program rule has been violated and the county has sufficient evidence to support the allegation contained in the IPV or to have warranted the scheduling of a hearing.
- For signed waivers, a Findings and Order will be prepared for review and signature by the Executive Director. The Order will notify the individual of the disqualification and the effective date.
- If the waiver was not signed, the case is reviewed and referred to the Office of Administrative Hearings.
- A hearing is scheduled either by phone or in person with an Administrative Law Judge. **The individual must be provided a 30-day advance notice of the scheduled hearing and the hearing must be conducted, a decision rendered and the county notified within 90 days from the notice of hearing.**

If the individual or their representative fails to appear for the scheduled hearing without good cause, the hearing will still be conducted as scheduled. **Good cause is decided by the Appeals Supervisor.**

After the hearing, the Administrative Law Judge issues a recommended Findings and Order for review and action by the Executive Director. If the Order signed by the Executive Director finds the individual committed a violation, the Order will be mailed to the individual and the county stating the disqualification and the effective date. **(Program will receive a copy of the recommended Findings and Order. We are required to either agree or disagree with the recommended findings. If we disagree, we must specify why and ask for a rewrite of the Findings and Order).**

No further administrative appeal procedure exists after an individual waives the right to an administrative disqualification hearing and a disqualification penalty has been imposed. The disqualification penalty cannot be changed by a subsequent fair hearing decision. The individual is entitled to seek relief in a court of appropriate jurisdiction.

The State Office enters the appropriate information into the Disqualified Recipient Subsystem upon notification of the disqualification.



## Notes

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## LESSON: County Action Upon Receipt of a Signed Decision



### Purpose

Explain the appropriate actions the county must take when a signed decision is received.



### eManual References

County Action Upon Receipt of a Signed Decision

430-05-75-15-55



### Policy

The county must take the following actions upon receipt of a signed decision:

- Review the **signed** decision to determine if an IPV has been committed.
- If an IPV has not been committed, the household remains responsible for any overissuance and the claim continues as an inadvertent household error.
- If an IPV has been committed the worker must:
  1. Disqualify the individual. The disqualification period begins with the first month following the date the individual receives written notification. Adequate notice is required. Once the disqualification penalty has been imposed it continues uninterrupted until completed. Send Notice F818 – IPV Food Stamp Overissuance to the household. Change the participation code of the individual on SSDO from “**IN**” to “**DF**”.
  2. The worker will receive an alert 10 days from the date the notice F818 is sent. (Doesn't matter if the food stamp case is open or closed. The penalty is imposed the month following the month of notification).
  3. After the 10 days has elapsed, change the percent from 10% to 20% for the claim (SEOO, function 5).



4. Change the error cause for the claim to “FR” (SEOO, function 5).

- Record the IPV disqualification on the IPSA screen. (SEOO, function 7)

For IPV claims, the amount of food stamp benefit reduction is the greater of 20% of the benefit or \$20.00 per month.



# Notes

[illegible]



## LESSON: Disqualification Penalty Timeframes



### Purpose

Explain the appropriate disqualification timeframes.



Disqualification Timeframes

### eManual References

430-05-75-20



### Policy

An individual found to have committed an IPV is ineligible to participate as follows:

- A period of 12 months for the first IPV
- A period of 24 months for the second IPV.
- Permanently for the third violation of any IPV.





# Notes



# MODULE: NICE-TO-KNOW



## Objective

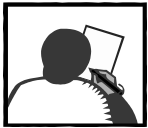
To provide a short summary of the policy in the areas where minimal questions arise.



## Module Time

APPROXIMATE TIME

As Time Allows



## Notes

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## LESSON: Zero Benefit VS Excess Income



### Purpose

**Explain the difference between closing a case because of the zero benefit and because of excess income.**



### eManual References

**Categorical Eligibility**  
**TANF Information and Referral Services**  
**Monthly Income Eligibility Standards**  
**Case Closing Zero Benefit**

**430-05-20-80**  
**430-05-20-85**  
**430-05-50-10**  
**430-05-65-45**



### Policy

When any household's net income exceeds the level at which benefits are provided, the worker must close the case using Notice F443 – Zero Benefit Closure. This includes TANF and SSI households.

When any household's countable gross or net income exceeds the income limits for their specific household size, and it is not due to an extra check, the worker must close the case using Notice F407-Excess Income.